GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MA&UD Department - **"Sewerage System for Gajuwaka, Malkapuram & Pendurthy** area along with Waste Water Treatment System **–** Development of Sewerage System in Pendurthi area and Waste Water Treatment System for Supply of Recycled Water as Package I – Approval – Accorded.

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MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.Ms.No.130 **Dated:18 .04.2018**

Read the following:-

1. G.O.Rt .No. 546 Municipal Administration & Urban Development (UI) Department dated 26.07.2017
2. From the Commissioner Greater Visakhapatnam Municipal Corporation, Letter No GVSCCL/Projects/APUIAML(S&TW)/2017-18 dated 29.03.2018.

O R D E R:

In the reference 1st read above, Government accorded administrative sanction and approval (I) to initiate the development of the project **"Sewerage System for Gajuwaka, Malkapuram & Pendurthy** area along with Waste Water Treatment System and tendering activities through Andhra Pradesh Urban Infrastructure Asset Management Ltd. (APUIAML) as per the project scope detailed in the Strategic Project Report. (II) to transfer the Project from Greater Visakhapatnam Municipal Corporation (GVMC) to Greater Visakhapatnam Smart City Corporation Ltd. (GVSCCL) (III) to make payment of Mobilization Fee of Rs. 1,00,00,000/- (Rupees One Crore only) by GVMC to APUIAML towards end to end services for the Project.

2. In the reference 2nd read above, the Managing Director & Chief Executive Officer, Greater Visakhapatnam Smart City Corporation Limited has informed that the entire project is divided into two construction Packages and it is proposed to take up Development of Sewerage System in Pendurthi area and Waste Water Treatment System for Supply of Recycled Water to Rashtriya Ispat Nigam Limited (Visakhapatnam Steel Plant) and Hindustan Petroleum Corporation Limited (HPCL) having the project cost of Rs.412.00 Crores as Package-1 and that the Package II covers the Development of Sewerage system in Gajuwaka and Malkapur area having an estimated project cost of Rs. 350.00 Crores. The Detailed Project Report (DPR) and Tender Document for Package-I has been prepared by APUIAML. The administrative sanction amount is Rs. 412.00 Crore has been accorded by the Chairman, GVSCCL. The source of financing arrangements is structured to include a financial assistance of Rs.150 Crore in the form of Equity and/or Equity equivalents proposed to be provided by GVMC to GVSCCL, and the balance amount of Rs. 262 Crore to be arranged by APUIAML as Term Loans. This project (Package -I) is proposed to be implemented in a period of 30 months i.e. starting from July 2018. It has been reported that the status of the Project is as under:

1. The Administrative Sanction has been accorded for Rs. 412 Crore by Chairman, GVSCCL on 16.03.2018.
2. The Technical Sanction has been accorded for Rs. 362 Crore by Chief Engineer, GVMC on 17.03.2018.
3. The approval of Technical Committee-1 for Scope, Deliverables, Internal Bench Mark (IBM) etc. has also been received for the Project on 21.03.2018.
4. An in-principle Term loan of Rs. 396 Crores for the entire project has been received by APUIAML from Bank of India, and a portion of the same i.e. Rs. 262 Cr is proposed to be obtained for Package – 1 of the project.
5. Sale and Supply of Recycled Water to Industries:
   a. The Memorandum of Understanding (MoU) and sale price of Recycled Water is in advanced stage of finalization with HPCL. It is proposed to supply Recycled Water to HPCL from July 2020.
   b. RINL has provided letter to GVSCCL, stating that the rate of Recycled Water is put up for approval in RINL's Board meeting. It is proposed to supply Recycled Water to RINL from Jan 2021.

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6. Simultaneously, the Project (Package-1) has also been proposed for funding under Asian Development Bank (ADB) support for development of Visakhapatnam Chennai Industrial Corridor (VCIC).

3. The Managing Director & Chief Executive Officer, Greater Visakhapatnam Smart City Corporation Limited has requested for necessary instructions of the Government for taking up the Project under the Andhra Pradesh Urban Development Fund (APUDF) or under the ADB support for development of Vishakhapatnam Chennai Industrial Corridor (VCIC) under Trench-II and also sought for the instruction for preparation of DPR for the work of Package. II - Sewerage System in Gajuwaka and Malkapur area having an estimated project cost of Rs. 350.00 Crores that can be taken up under the ADB support for development of VCIC-Trench-II.

4. Government, after careful examination of the matter, hereby approve the Project cost of Rs. 412.00 Cores to take up the work of Package I - Sewerage System in Pendurthi and Waste Water Treatment System for Supply of Recycled Water to various industries in the peripheral of Visakhapatnam with a financial assistance of Rs.150 Crore in the form of Equity and/or Equity equivalents proposed to be provided by GVMC to GVSCCL, and the balance amount of Rs. 262 Crore to be arranged by APUIAML as Term Loan.

5. The Managing Director & Chief Executive Officer, Greater Visakhapatnam Smart City Corporation Limited is also permitted to take up the work of preparation of DPR Package -2 with the assistance of APUIAML and submit to ADB for consideration through Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director & Chief Executive Officer,
Greater Visakhapatnam Smart City Corporation Limited Visakhapatnam
The Commissioner,
Greater Visakhapatnam Municipal Corporation, Visakhapatnam.
The Chief Executive Officer,
A.P. Urban Infrastructure Asset Management Ltd.,
4th Floor, RTC House, Pandit Nehru Bus Station, Vijayawada.
The General Administration (Cabinet) Department.

Copy to:-

The P.S. to M (MA)
The P.S. to Pri. Secy. to Govt., MA & UD Dept.
Sc/sf.

// FORWARDED :: BY ORDER //

RESEARCH OFFICER

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